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K A N S A S

KATHLEEN SEBELIUS, GOVERNOR

DIVISION OF HEALTH POLICY AND FINANCE

POLICY MEMO:	
To: All SRS and DHPF Staff	From: Kristi Scheve, Senior Manager Family Medical Eligibility Policy
Eligibility Policy Memo No: 2006-06-19	KFMAM: Pilot Policy, Section 1408
RE: Presumptive Eligibility for Children Pilot Project Implementation Effective July 1, 2006	Program(s): Poverty Level Eligibility for Children (HealthWave 19 and HealthWave 21)

Background

The Presumptive Eligibility for Children program will begin July 1, 2006 through a pilot project. A limited number of Medicaid enrolled providers will serve as the State's designated Qualified Entities for the purpose of determining a child's presumptive eligibility. Additional Medicaid enrolled providers are to be recruited and periodically added to the program as designated Qualified Entities. Full implementation of the Presumptive Eligibility for Children program is planned for April 1, 2007.

Presumptive Eligibility for Children is an option for the State and is one of the Governor's Healthy Kansas Initiatives to cover children. Presumptive Eligibility is a targeted outreach effort to provide coverage under HealthWave 19 and HealthWave 21 to children who appear to be eligible, but are not yet enrolled. Coverage is provided on a temporary basis through a fee-for-service model while the household's formal application for medical benefits is being processed.

The Presumptive Eligibility program utilizes designated Qualified Entities, who are in contact with children at the time of a medical need, to assist the family with the HealthWave application process and complete a presumptive eligibility determination for each child for whom assistance has been requested.

I. Qualified Entities - The Qualified Entities are agencies designated and trained by the Division of Health Policy and Finance (DHPF) to complete presumptive eligibility determinations. Kansas has selected a limited number of Medicaid enrolled hospitals and Safety Net Health Clinics to participate as Qualified Entities for implementing the Presumptive Eligibility for Children pilot project.

Additional Medicaid enrolled hospitals and Safety Net Health Clinics are being recruited to participate as Qualified Entities. Statewide implementation of the program is planned for April 2007.

A complete list of current Qualified Entities is attached to this memo. This list will be maintained in the Kansas Family Medical Assistance Manual once full implementation of the program is complete. Pilot Project Manual Material (Section 1408) can be found on-line at www.da.state.ks.gov/hpf/medicalpolicy/ManualInfo/PresumptiveEligibilityChildrenPilot.htm. Changes may be made to this list at any time as additional Qualified Entities are selected or removed from participation in the program. Staff should refer calls from agencies interested in becoming a Qualified Entity to the Program Managers of Family Medical Eligibility Policy in DHPF (see contact information at the end of this memo).

II. Presumptive Eligibility Determinations - Electronic and paper versions of a Presumptive Eligibility Determination Tool have been developed for use by each Qualified Entity in making eligibility decisions. The entity may choose whether they will utilize the electronic or paper determination process. Both tools collect the same basic household information required to determine if a child may be eligible for presumptive coverage. The tools are to be updated as the poverty level guidelines for children change each year or when policy changes are made throughout the year. Revision dates on each tool enable the entity and the HealthWave Eligibility Clearinghouse to make certain the correct version is being used. Distribution of the tool and tool updates for each entity is handled through the Kansas Medical Assistance Program provider bulletin process.

A presumptive eligibility determination is a simplified eligibility determination using the household's statements of citizenship status, residency, household size, total monthly income, and access to other healthcare coverage to determine eligibility for each child. It is important to note that a presumptive determination, because it is simplified, may not have the same outcome as the formal HealthWave eligibility determination.

Staff members at each entity receive initial training on the Presumptive Eligibility for Children program from DHPF. Staff members at each Qualified Entity are not trained to become eligibility workers, but are specifically trained to make simplified presumptive determinations. After initial training, each designated entity is qualified to make a determination on whether a child is presumptively eligible. The presumptive determination made by each entity is final. The household does not have appeal rights regarding the outcome of a child's presumptive determination.

A number of Quality Assurance measures for the Presumptive Eligibility for Children Program have been identified and will be monitored internally by DHPF. Some of these measures include monitoring the outcome of determinations completed by each Qualified Entity to make certain the program is achieving the goal of enrolling children into the medical programs for which they are eligible.

III. Presumptive Eligibility Determination Process – Each Qualified Entity identifies children who are under or uninsured. Staff members at the entity discuss the HealthWave program with the family. If the family would like to apply for coverage, the entity assists the household with completing the HealthWave application form. The entity uses the information provided by the household and included on the HealthWave application form to complete either the electronic or paper Presumptive Eligibility Determination Tool. When the tool is complete, the entity will know whether the children in the household are eligible for temporary presumptive coverage. The entity provides each household with written notice of the outcome for each child's presumptive determination.

A. An approval letter is provided to each household in which at least one child is determined presumptively eligible for coverage. This letter lists the name of each eligible child, their date of birth, Social Security Number (if known), and coverage start date. The letter also provides the family additional contact numbers for coverage or eligibility questions. The letter serves as temporary eligibility verification for 7 days until the child's eligibility information is recorded in KAECSSES, transmitted to the MMIS, and a medical card is issued. Although the letter is proof of eligibility, it does not contain the child's Beneficiary ID number which is required for a provider to bill for services. Each provider will obtain the Beneficiary ID number from the family when the medical card is issued or by inquiry into the MMIS when enough time has lapsed for the child's eligibility information to have been input into KAECSSES and transmitted to MMIS.

B. A denial letter is provided to the household if one or more children are found ineligible for presumptive coverage. This letter provides the reason why each child was not presumptively eligible and encourages the family to move forward with the HealthWave application process, because the formal determination may have different results.

The Qualified Entity forwards the results of each determination to the HealthWave Eligibility Clearinghouse within 2 business days. Entities using the electronic tool forward results electronically to a designated mailbox at the Clearinghouse. Entities using the paper tool send results to the Clearinghouse via fax using a special fax cover sheet.

Entities assist the family by submitting the HealthWave application form to the HealthWave Eligibility Clearinghouse for processing. All applications on behalf of children who are presumptively eligible are to be processed by the Clearinghouse. Entities may also help the family gather and submit verifications that are needed for the formal eligibility determination.

IV. Period of Presumptive Eligibility – Presumptive Eligibility for Children is a temporary benefit. Coverage begins on the date that a Qualified Entity determines a child presumptively eligible. Although when coverage begins is date specific, coverage ends at the end of a calendar month. The length of time a child may be covered presumptively depends on when the application is filed and/or processed by the HealthWave Eligibility Clearinghouse.

An application for HealthWave benefits must be filed in order for a child to receive coverage beyond the presumptive period. The household must submit their application in the month of the presumptive determination or the month following the month of the presumptive determination for coverage to continue.

A. When the application is filed within the month of the presumptive determination or the month following, the child may continue to be covered presumptively until a formal eligibility decision is made. Presumptive coverage cannot be reinstated once a decision is reached on the formal application. The child may only receive further coverage if they are approved through the formal application process. Continuation of presumptive benefits while an appeal request is pending is not possible.

In most instances a child will only be covered for the month of the determination and possibly the month following. However, it is possible for presumptive coverage to extend beyond this time frame in cases where the application is received late in the month and is not processed right away. It is also possible for the coverage period to be shorter when an application is received and processed right away.

B. When the application is not received within the month of the presumptive determination or the following month, presumptive coverage for the child ends at the end of the month following the month of the presumptive determination. Coverage cannot be extended beyond this presumptive time frame. The family must file an application and are subject to the normal application processing time frames before additional healthcare coverage may be provided.

V. Limited Presumptive Eligibility Coverage Periods - Children may only receive coverage under the Presumptive Eligibility for Children program once in a twelve-month period. The Presumptive Eligibility Determination Tools ensure that the family reports if a child has had presumptive coverage in the past twelve months. As with all data elements used to determine a child's presumptive eligibility, this is also based on the household's statement.

If a child is inadvertently approved for an additional presumptive coverage period within the twelve-month time frame, the Clearinghouse must authorize benefits on the system for at least the 7 days that the child has already been provided proof of eligibility. Immediate action is taken to end eligibility for the child as soon as possible. The 'OI' denial/closure code should be used, if the entire case must close because there are no children in the household eligible for presumptive coverage. Adequate notice is all that is required to end presumptive coverage.

The number of instances where children mistakenly receive additional coverage periods is tracked by the Clearinghouse and monitored for Quality Assurance purposes. If it appears children are routinely being approved for additional presumptive periods, a review of the Presumptive Eligibility for Children procedures may be necessary.

VI. Presumptive Eligibility Coverage Benefits – Presumptive Eligibility for Children provides basic coverage through a fee-for-service model like Medicaid. Coverage effective dates are date specific and a child is only covered from the date the entity makes the determination through the end of the presumptive coverage time period (see IV. above).

Two new benefit plans, P19 & P21, have been created to reflect Presumptive Eligibility in the MMIS system. Although some benefit plans may co-exist with presumptive eligibility, such as Family Preservation, QMB, or ADAP-D, others cannot. Long term care payments, including HCBS services, should not be approved with presumptive coverage. A child must be formally determined eligible for Medicaid in order to receive long term care services. Hospice assignments are also not allowed with presumptive eligibility. A child who is in need of hospice level of care needs to be formally determined eligible for Medicaid. Foster care assignments are not allowed with a presumptive eligibility benefit plan. Children taken into custody should have their medical coverage approved through the Foster Care program.

VII. Presumptive Eligibility in KAECSSES – The ‘MK’ program with the ‘PE’ program subtype is being used for the Presumptive Eligibility for Children program. The HealthWave Eligibility Clearinghouse receives all of the presumptive determination results from each entity within 2 business days. A staff person at the Clearinghouse registers the MK-PE case in KAECSSES and enters information about each presumptive eligibility determination. The ‘Benefit Proration Date’ input on **APMA** must be the date the entity completed the child’s presumptive determination. This date is communicated from KAECSSES to the MMIS and is the start date for the child’s coverage. The presumptive determination results identify whether an individual child was ineligible, found presumptively eligible for HealthWave 19 (Medicaid), or was found presumptively eligible for HealthWave 21 (SCHIP) coverage.

A. When a child has been determined presumptively eligible, an individual medical subtype of either ‘PN’ for Presumptive Nineteen or ‘PT’ for Presumptive Twenty-one is entered for each eligible child. The Clearinghouse staff person authorizes coverage and sends a system notice (K103) to the household reminding them of the importance of cooperating with the formal application process. The KAECSSES system transmits presumptive eligibility records to the MMIS as it does for any other medical benefit.

B. If no children were found presumptively eligible, the Clearinghouse staff person registers the MK-PE program and denies it. However, no notices are sent from KAECSSES because the Qualified Entity has already provided the family with written notice regarding the outcome of the presumptive determination. Presumptive Eligibility denials are input into KAECSSES for tracking and reporting purposes only.

VIII. Processing the Formal Application for a Presumptive Household – All applications on behalf of a child who was determined presumptively eligible are processed by the HealthWave Eligibility Clearinghouse. Internal processes have been established at the Clearinghouse to monitor presumptive cases and ensure that the temporary coverage ends at the correct time. In addition, special notices must be used when the formal application is processed to inform the family that presumptive coverage ends because the formal eligibility determination is complete. This is true regardless of whether the child is eligible for ongoing benefits or if the application is denied for any reason. The KAECSSES notice listing has been updated with new notices for MK, MP, and MA-CM designed specifically for the Presumptive Eligibility for Children Program (a copy of the notice listing for MK, MP, and MA-CM is attached to this memo).

For the most part, the formal application follows all normal procedures in the system. Prior medical requests and regular eligibility over months that may already have MK-PE coverage are processed in KAECSSES. However, because system edits allow only one individual medical subtype per person for a benefit month, the MK-PE program must be processed, benefits paid, and closed before the formal medical application can be worked. It is important to make certain that MK-PE benefits have been paid and sent to the MMIS for the last month of presumptive eligibility before closing the case.

The appropriate program (most likely MP or MA-CM) is registered on the KAECSSES system based on the date the application is received and staff processes the request from the application date forward, including any requests for prior medical assistance. It is important to note that presumptive eligibility coverage months do not impact the continuous eligibility period for a child. A child’s continuous eligibility period is established when the formal application is processed.

Example 1: Abby (4) was determined presumptively eligible for Title 19 coverage on August 4th. The Clearinghouse received the presumptive determination results electronically that same day and is able to enter and authorize the MK-PE program immediately making certain to use August 4th as the benefit proration date. Abby's eligibility is reflected in the MMIS the next day.

The HealthWave application is received in the mail on August 7th. It is registered on KAECSSES on August 8th and all of the needed verifications are present.

The worker is ready to process the application on August 15th. Prior to processing the HealthWave application, the MK-PE program must be closed. The MK-PE case is closed effective August 31st.

Before the worker can process the MP eligibility from the month of August forward, they must first code Abby out ('OU') on SEPA for the MK-PE program. This workaround must be completed in order for the system to assign a new individual medical subtype (N2, N3, N4, T5, T6, or T7) when the MP program is processed for August.

Abby is determined eligible for HealthWave 19 and this establishes a twelve-month continuous eligibility period. Notices are sent informing the family that presumptive coverage ends and Abby is eligible for ongoing medical benefits under HealthWave 19 (P119 & P118 notices are sent).

Example 2: Bob (1) was determined presumptively eligible for Title 21 coverage on September 1st. The Clearinghouse received the presumptive results electronically on September 2nd and approves MK-PE on KAECSSES the next day making certain to use September 1st as the benefit proration date. The eligibility transmits to the MMIS with the nightly file.

The HealthWave application is received in the mail on September 5th and is registered on September 6th. Income verifications have not been submitted, so the Clearinghouse sends a request for information with a due date of September 18th.

The family fails to respond to the request for information, so the formal application is denied on September 19th. The worker takes action and ends presumptive coverage for Bob at the end of September; because the application has been processed (the P206 notice is sent). If Bob's family subsequently provides the requested information presumptive benefits are not reinstated. Bob will not be able to receive further coverage until approved through the formal application process.

Example 3: Carrie (6) was determined presumptively eligible for Title 21 coverage on August 7th. The Clearinghouse received the presumptive determination results via fax on August 8th. The presumptive coverage is entered, August 7th is input as the benefit proration date, and MK-PE is authorized on August 9th. Eligibility is reflected in the MMIS the next day.

The HealthWave application is not submitted. The Clearinghouse monitors each presumptive case and when the application is not submitted makes certain the case closes (the X105 auto-closure notice is sent). Carrie's presumptive coverage ends at the end of September and the case is closed, because the family failed to submit the HealthWave application form within the presumptive time frames.

Example 4: Don (2) was approved for presumptive coverage under Title 19 on August 7th. The Clearinghouse receives the presumptive determination results on August 9th. The presumptive coverage is entered, the benefit proration date is August 7th, and the case is authorized on KAECSSES by Clearinghouse staff on August 11th. Eligibility is reflected in the MMIS the next day.

The HealthWave application is not received immediately. The Clearinghouse monitors each presumptive case and takes action to close presumptive coverage at the end of September because the application is not yet submitted (the X105 auto-closure notice is sent).

Subsequently, the application is submitted to the Clearinghouse on September 28th. The Clearinghouse takes immediate action to continue providing Don presumptive coverage. This is done through **REPT** for the MK-PE program, registering a desk review on **RERE**, and authorizing an additional month of coverage. Don is entitled to receive continued benefits presumptively until his application is processed; it was received within the month following the month of his presumptive determination (the K602 notice is sent).

Don's application was not immediately processed because there was difficulty obtaining all of the household's income verifications. Presumptive coverage continued for Don through October. His application was processed and denied in October for excess income. Special notices are sent explaining the application denial and that presumptive coverage ends effective October 31st (the P207 notice is sent).

IX. Presumptive Eligibility in the MMIS - Presumptive Eligibility is reflected in the MMIS under one of two new benefit plans, either P19 (Presumptive Nineteen) or P21 (Presumptive Twenty-one). The individual medical subtype entered into KAECSSES, reflecting the category of assistance for which the child was determined eligible, tells the MMIS which benefit plan to assign.

The MMIS issues a medical card to each presumptively eligible child. The medical cards received by presumptively eligible children will have the word "Green" imprinted at the bottom.

Presumptive Eligibility is date-specific in the initial month. When presumptive eligibility co-exists with another benefit plan in the initial month, the medical card for that month will reflect the presumptive start date even though the co-existing benefit plan may cover the entire month.

Example: A child is approved for presumptive eligibility and issued a medical card. Later, QMB coverage is authorized when it is discovered the child is Medicare eligible and should have received QMB for the month. The child's case was accidentally de-authorized causing him to lose QMB coverage in error. If a temporary ID card is pulled up in the MMIS after this action, it will show both benefit plans with the presumptive start date as the effective date even though QMB is for the entire month. It is important to note that this is just an example and should not be a common occurrence, since QMB is generally not retroactively approved.

Eligibility authorized for other programs in a month for which presumptive coverage already exists may or may not overlay presumptive eligibility in the MMIS system based on hierarchy rules built within the MMIS. It is possible and appropriate for staff to process other programs for system months in which 'MK-PE' already exists (see VIII. above).

Two new windows within the MMIS have been created for the Presumptive Eligibility for Children program. These windows are used to track and monitor eligibility that histories off because it was overlaid with eligibility that posts higher in the MMIS hierarchy. They also track monthly eligibility records that did not post because presumptive eligibility already existed for the same month and the new eligibility was lower in the hierarchy design.

One window contains eligibility information for a specific beneficiary. The other window is date specific eligibility tracking information for all beneficiaries for a specified date range. Staff with access to the MMIS can view the new windows, but only limited staff members in DHPF Central Office can update them. Samples of what each window looks like are attached to this memo. Both windows are used by program managers when they make a decision to override MMIS hierarchy rules in limited circumstances (see X. below). If you have a situation that you feel might require an eligibility override, contact the program managers listed at the end of this memo with details about the case. If workers have questions about the windows they may contact their Medicaid Liaison.

X. Eligibility Override - A new MMIS eligibility override indicator field has been included as a KAECSES change. Only persons with a Help Desk security profile are allowed to update this override eligibility function. This function was added for rare situations when it is deemed necessary to override a current eligibility record with another eligibility record that is considered "lower eligibility" in the MMIS hierarchy. The new indicator is only utilized when the Medical Eligibility Policy Program Managers in DHPF make the decision that it is in the family's best interest to override eligibility. If you have a situation that you feel might require an eligibility override contact the program managers listed at the end of this memo with details about the case.

Example 1: A baby is born and the provider does not find eligibility for the infant through a check in the MMIS. Since the provider is a Qualified Entity, they complete a presumptive determination and find the child eligible for Title 19. The presumptive benefits are input into the KAECSES system and authorized for the infant. Days later it is discovered that this baby was actually born to a mother who was enrolled in HealthWave 21 at the time of birth. According to current policy, this baby is automatically eligible for HealthWave 21. The Clearinghouse contacts the Program Managers in DHPF and the eligibility override indicator is used to allow the regular HealthWave 21 eligibility to overlay the P19 benefit plan.

Example 2: A child is approved for presumptive eligibility under Title 21. The formal application is received and processed the following month. Prior medical assistance is requested, because there are numerous outstanding medical bills from the months prior to the presumptive coverage month for the child. The family's only option for coverage of the prior bills is a Medically Needy spenddown. The three-month prior medical spenddown base period includes the month that presumptive coverage exists. The family is able to meet the spenddown, but it cannot be met through the system because eligibility is already in the MMIS and the spenddown record is lower eligibility. The Clearinghouse contacts the Program Managers in DHPF. The eligibility override indicator is used to allow the Medically Needy record to overlay the P21 benefit plan, so that the spenddown can be met through the provider bill process.

XI. Impact to Staff – Presumptive Eligibility is new and requires all staff have an understanding of the availability of this service to children across the state. Staff must be able to recognize children who are presumptively eligible in both the eligibility system and the MMIS. They must understand that presumptive benefits are time-limited, and refer families who receive presumptive coverage for a child to the appropriate contacts for follow-up questions or issues. The 'MK' KAECSES program with a new program subtype ('PE') is being used for this process. There are new benefit plans (P19 & P21) in the MMIS system for the Presumptive Eligibility population.

A. HealthWave Eligibility Clearinghouse Staff – The Clearinghouse will receive all of the presumptive eligibility determination results from each entity. Only Clearinghouse staff persons register and authorize presumptive eligibility benefits on the 'MK-PE' program on KAECSES. Presumptive Eligibility cases are maintained in one caseload (331-2-99) and are tracked by an internal process at the Clearinghouse to make certain that benefits are only issued for the temporary presumptive time period.

All applications for ongoing medical benefits on behalf of a presumptively eligible child are forwarded to the Clearinghouse for processing. Special notices must be sent when the formal application is processed on behalf of a presumptively eligible child. These notices communicate to the household that presumptive coverage for the child is ending because the formal eligibility decision has been made. They also inform the family if the child is eligible to receive benefits beyond the presumptive time frame.

A number of Quality Assurance measures have been identified for the Presumptive Eligibility for Children program and are dependent on internal tracking and reporting mechanisms at the HealthWave Eligibility Clearinghouse.

B. SRS Regional Staff – Regional offices might receive applications for ongoing medical benefits for children who are currently open under the presumptive eligibility provisions. If an application is received for a family who has an open program such as 'MK-PE' at the Clearinghouse, that application should be forwarded immediately to the HealthWave Eligibility Clearinghouse for processing.

Because of the time frames associated with presumptive benefits, a red letter e-mail must be sent to the HW_PE mailbox (use the subject line: MK-PE Open, HW App. Being Sent) to relay that the application has been received and is being forwarded to their office. The date the application is received in any office is the application date for benefits. Clearinghouse staff must know that an application has been filed in order to keep a child open under temporary presumptive coverage until the application has been processed. If sending an application to the Clearinghouse because a non-presumptive program is open, a red letter e-mail to the HW-info mailbox may be sent.

Regional offices might also receive applications for ongoing medical benefits for children who have a closed MK-PE case. For the most part, this is treated as any other closed case and the application processed at the location it was submitted. However, if the case recently closed and the months that child participated in MK-PE overlap months in which a request for ongoing medical benefits has been made, the application should be sent to the Clearinghouse as special workarounds are necessary (see VIII. above).

If an application for ongoing benefits is received in a Regional Office and the child has a denied MK-PE program, the application is processed at the location in which it was submitted. MK-PE denials are input into KAECSSES for tracking purposes only.

When a family who has an open MK-PE program applies for other benefits such as Food Stamps in the Regional Office, please encourage them to also complete the HealthWave application process. If the family has utilized the ES-3100 they can indicate a request for medical on that form without completing additional forms. The ES-3100 can be copied and forwarded to the Clearinghouse along with supporting documentation for processing of the ongoing medical benefits for the presumptively eligible children as well as any additional medical requests from that household.

If the Regional Office is processing a medical request for a presumptively eligible child on a program that is not maintained by the Clearinghouse (e.g., HCBS) please coordinate with staff at the Clearinghouse to make certain that participation on the open program is ended and appropriate notices are sent to the family regarding the child's medical coverage.

Contacts from a household related to presumptive eligibility or future eligibility for a presumptively eligible child should be forwarded to the HealthWave Clearinghouse for a response.

C. All DHPF & SRS Staff – Anyone with access to the KAECSSES system must be able to recognize the Presumptive Eligibility for Children program (MK-PE). Staff must realize presumptive benefits are time-limited and that a formal application for HealthWave is needed in order for a child to remain enrolled in healthcare coverage (see IV. above).

Users of the MMIS system must be aware of the two new presumptive eligibility benefit plans (P19 and P21) and realize that presumptive coverage is date specific in the initial month of eligibility. Users may have access and be able to view the new presumptive eligibility windows (see IX. above). Users must recognize that not all assignments and benefit plans are allowed to co-exist with presumptive eligibility (see VI. above).

Conclusion

If you have questions about this memo, please send them to Kristi Scheve, Senior Manager, Family Medical Eligibility Program Policy at kaxg@srskansas.org or Patty Rice, Manager, Family Medical Eligibility Program Policy at psys@srskansas.org. Additional contact information for Kristi and Patty is provided in the footer of each page of this memo.

Attachments:

1. The list of current designated Qualified Entities for the Presumptive Eligibility for Children Pilot effective July 1, 2006.
2. The KAECSSES Application Entry Sequence for the MK-PE program.
3. A condensed list of updated KAECSSES system notices for the MK, MP, and MA-CM Presumptive Eligibility for Children Pilot Project.
4. The PowerPoint presentation designed for training and education of SRS Regional Staff, SRS Central Office Staff, DHPF Staff, and other interested parties.